

Summary of Stipulations by Issue

The form and content of contract summaries to be reported to the NFF:

No counter parties to a contract need be identified in a contract summary. A map of transmission interconnection points with the host utility system should be provided, but separate contract delivery points need not be specifically identified.

What contracts should be reported to the NFF:

All contracts (wholesale or retail, as specified in Section 16-112(c) of the Act) entered into

- (i) after June 1, 1997 and
- (ii) before March 15, 1999 that are for either

(the sale and delivery, within the 5 calendar years following the year of submission, of electric power and energy that is either from a generating facility (or facilities) located in Illinois, or from a generating facility (or facilities) located in a contiguous state and owned by an electric utility as part of an interconnected operating system, or

(for the purchase or delivery, within 5 calendar years following the year of submission, of electric power and energy within or into Illinois.

Notwithstanding the above, the following exclusions apply:

(contracts between an electric utility and its affiliate;

(contracts for the sale, purchase, or delivery made under rates and tariffs filed with the Commission (except for tariffs filed pursuant to Section 16-110(d) and special or negotiated rate contracts between an electric utility and a retail customer to the extent the contract is for the provision of electric power and energy after the date the customer becomes eligible for delivery services);

(extensions or amendments to full requirements wholesale contracts existing on 12/16/97, so long as such contracts, extensions, or amendments are cost of service regulated by FERC.

Reporting parties should identify the number and type of excluded contracts entered into in the applicable time period (after June 1, 1997 and before March 15, 1999 for delivery within 5 calendar years following the year of submission).

(An electric utility that sells electric power and energy from generating facilities located in states contiguous to Illinois and owned by the electric utility as part of its interconnected operating system should not include with its contract summaries sales under rates and tariffs filed with the relevant state public commission, unless the contract to be summarized is for the provision of electric power and energy after the date that the customer becomes eligible for delivery services in such other state. Contracts excluded under this paragraph need not be listed as exempt contracts.

The parties further agree that

(Swaps must be identified but not summarized.

(Option contracts meeting the requirements of Section 16-112(c) should be reported, but summarized only when exercised.

The definition of "peak period(s)" to be used in contract summaries and by the NFF:

6 a.m. to 10 p.m. prevailing Central Time (See 5 ILCS 440/1) on Mondays through Fridays excluding NARC-recognized holidays.

whether and why contract summaries should be submitted to Staff and under what circumstances:

The reporting entities agree that they would be willing to submit contract summaries to Staff if the Staff has in place adequate procedures to safeguard the confidentiality of the information contained in such summaries. The confidentiality procedures attached as Schedule A to the direct testimony of Robert Bishop of Staff (which were admitted as Staff Exhibit 1.0 and are attached to Exhibit A of this Proposed Order) are adequate and with those procedures in place, contract summaries should be submitted to Staff at the same time they are submitted to the NFF.

General Instructions for Contract Summary Form Under Sections 16-112(c)-(g)

1. Reporting entities (electric utilities and alternative retail electric suppliers ("ARES")) must use the attached form, which was approved by the Commission, in Docket 98-0769 on [date], to report every contract for which a summary is required under Section 16-112(c). Each such contract requires a separate summary.

The contract summaries must be completed and submitted to the Neutral Fact-Finder ("NFF") on or before April 1, 1999.

2. Any information required by Section 16-112(c)-(g) should be attached to the form even if the form does not specifically request such information. Parties are encouraged to provide additional information that contributes to the NFF's ability to determine market values for electric power and energy, and any information that will enable the NFF to do so with greater detail, precision and differentiation. NOTE: Section 16-112 was added to the Public Utilities Act by Public Act 90-561, effective December 16, 1997 (See 220 ILCS 5/16-112). It is available on the Illinois Commerce Commission web site at www.state.il.us/icc.

3. Reporting entities should report all contracts specified in Section 16-112(c) of the Act (wholesale or retail) entered into after June 1, 1997 and before March 15, 1999 that are for either

(the sale of electric power and energy that is either from a generating facility (or facilities) located in Illinois, or from a generating facility (or facilities) located in a contiguous state and owned by an electric utility as part of an interconnected operating system for delivery at any time between January 1, 2000 and December 31, 2004 inclusive, or

(for the purchase and delivery of electric power and energy within or into Illinois at any time between January 1, 2000 and December 31, 2004, inclusive (See Section 16-112(c)).

4. The following contracts, however, need not be summarized:

(contracts between an electric utility and its affiliate;

(contracts for the sale, purchase, or delivery made under rates and tariffs filed with the Commission (except that contract summaries are required for: (A) a sale, purchase, or delivery made under tariffs filed pursuant to Section 16-110(d), and (B) special or negotiated rate contracts between an electric utility and a retail customer to

the extent the contract is for the provision of electric power and energy after the date the consumer becomes eligible for delivery services); and

(extensions or amendments to full requirements wholesale contracts existing on 12/16/97, so long as such contracts, extensions, or amendments are cost of service regulated by FERC.

Each electric utility and ARES not reporting a contract under the foregoing exceptions must provide a description of groups of contracts not reported, including the number of such contracts by group and a clear statement of the reason the group is reported to be exempt.

Swaps need not be summarized, but must be identified as a group of contracts not summarized. Option contracts meeting the requirements of 16-112(c) should be reported, but must be summarized when exercised.

An electric utility that sells electric power and energy from generating facilities located in states contiguous to Illinois and owned by the electric utility as part of its interconnected operating system should not include with its contract summaries sales under rates and tariffs filed with the relevant state public utility commission, unless the contract to be summarized is for the provision of electric power and energy after the date that the customer becomes eligible for delivery services in such other state. Contracts excluded under this paragraph need not be listed as exempt contracts.

5. Section 16-112(f) requires that market value calculations for electric energy be based on energy prices stated in the contracts, "and, where no explicit energy prices or index price basis are stated, on the actual energy costs of the supplier in the corresponding period of the preceding year that would have been applicable to the electric energy provided under the contract." This should be read as requiring information from the most recent corresponding period for which information is available as of April 1, 1999. For example, if the contract period for which the price of energy must be determined is March 2000, use actual information from March 1999 if available, otherwise use actual information from March 1998. If, on the other hand, the contract period for which the price of energy must be determined is June through September of 2000, then use actual information from 1998 because it is the most recent corresponding period for which information is available. If the contract period for which the price of energy must be determined is January through August of 2000, then use actual information from any months for which actual information is available for 1999, and 1998 information for all other months.

6. A contract summary is required for any contract amended or changed after June 1, 1997, in a way that may be material to the determination of market value.
7. For contracts for the sale of electric power and energy from a generating facility (or facilities) located in Illinois, or located in a contiguous state and owned by an electric utility as part of its interconnected operating system, prices or charges for electric power or energy reported as applicable are those stated at the point at which the electric power or energy leaves the transmission system of the electric utility or alternative retail electric supplier. Please refer to Section 16-112(c).
8. For contracts for the purchase and delivery of electric power and energy in or into Illinois, prices or charges for electric power or energy reported as applicable are those stated at the point at which the electric power or energy enters the transmission system of the electric utility. Please refer to Section 16-112(c).
9. For contracts for the sale of electric power and energy generated for delivery within the electric utility's service area, prices or charges for electric power and energy reported as applicable are those stated at the point at which the electric power and electric energy enters the electric utility's transmission system (i.e. the bus bar). Please refer to Section 16-112(c).
10. As required by Section 16-112(c), reporting entities are to deduct delivery service charges (including transition charges), and charges for services, if any, other than the provision of power and energy or delivery services, from bundled service contract prices reported to the NFF. For such contracts, electric utilities and ARES must 1) describe the nature of the bundled services and explain in detail how the charges for services other than energy and power/capacity were determined and deducted from the contract price, and 2) report the price before and after the deduction under the contract's provisions. Entities that deduct transition charges are to report the market value assumption that they used in determining the transition charges.

The Commission notes that the NFF has the authority to seek further information from the reporting entity through the Commission staff either through the audit process or otherwise, or to disregard reported contract summaries when such assumptions or deductions are not comparable to other data provided to the NFF.

11. Prices must be reported for every pricing period (between January 1, 2000 and December 31, 2004) in the contract. As necessary, add lines for the appropriate number of pricing periods beyond those listed in the form.

The pricing periods reported in the contract summary should correspond to the periods actually specified in each contract. Each pricing period should be fully described in Pages 2 and 3 of the summary form. Descriptions for each pricing period should include the beginning and ending dates and times of each pricing period with all times reported as Central Standard Time or Central Daylight Time, whichever is in effect under the Time Standardization Act (5 ILCS 440). All pricing information should be reported in megawatts, megawatt-hours, dollars per megawatt-hour, or dollars per megawatt, as applicable, except that prices on the Capacity Pricing Data page may be expressed in any way that adequately describes the nature of the information requested.

Only information that is stated in the actual contract must be provided in the contract summary with the exception of prices (and costs if no prices exist). In addition, two of the following three items must be provided in each contract summary:

1. Expected amount of energy used in each pricing period
2. Expected load factor in each pricing period
3. Expected peak demand for each pricing period

12. The applicable reliability level(s) must be reported for all pricing periods (between January 1, 2000 and December 31, 2004) in the contract. As necessary, add lines for the appropriate number of pricing periods beyond those listed in the form.

In reporting the level of reliability, determine and define each level or category of reliability, e.g. "Native Load" Firm, Marketer Firm, Non-firm, and designate each with a capital letter, e.g. A, B, C, etc.. Also provide information regarding the delivery obligations of the selling entity.

13. Additional characteristics of energy, power, reliability, or any other characteristic with an impact on prices or charges should be reported on the page labeled "Additional Information."

14. For a contract that bases price on an index or indices: 1) report the index or indices by name and source, 2) explain in detail how the indices are used in calculating prices, 3) provide any information, such as weight and base prices, necessary to properly apply the index or indices under the contract's provisions, and 4) provide a sample calculation.

15. All workpapers used to complete the contract summary form should be maintained for at least two years.

16. "Renewal Date" in Contract Summary refers to the date on which the contract was renewed. Please indicate the party authorized to exercise the renewal option.

- Seller (S)
- Purchaser (P)
- Mutual [both seller and purchaser](M)
- Conditional (C)
- Other (O)

17. "9+3-digit company/contract designation" in the contract summaries refers to the first 3 letters of each of the first 3 words of the respondent's name plus a corresponding 3-digit contract number sequentially assigned by the respondent. Please number contracts sequentially beginning with 001.

18. Maximum contract demand should be reported as the maximum seasonal demand to be served under the contract if it is the basis for the billing.

19. the NFF, may receive information via the Commission or its Staff about contracts that have been summarized and reported incorrectly or receive information about contracts that have not been reported.

20. When you have completed these forms, please send, in electronic format, and in paper if feasible, to:

NFF (NAME)
(ADDRESS)
(CITY)
(STATE & ZIP)

and

Robert E. Bishop
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701
Phone 217-782-7281

NOTE: Appendix C is not available electronically.